



PENNICHUCK

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May 19, 2014

Mr. Larry Budreau, Acting Town Administrator  
Town of Derry, Derry Municipal Center  
14 Manning Street  
Derry, NH 03038

Re: Rate Case – Pennichuck Water Works, Inc. (DW 13-130)

Dear Mr. Budreau:

Recently, Pennichuck Water Works, Inc. (PWW) entered into a rate case settlement agreement with the Staff of the New Hampshire Public Utilities Commission and the Office of the Consumer Advocate relative to permanent rates. The agreement is subject to acceptance by the Public Utilities Commission. A summary of the result of the settlement agreement is as follows:

PWW requested a permanent rate increase of 0.12% in the rate case filed on May 31, 2013. The parties to the rate case settlement agreement have agreed to forego the requested increase and maintain the current rates. The prior rate increase for PWW in 2010 was 11.94% based on the 2009 test year.

The settlement agreement is posted on the PUC website ([www.puc.state.nh.us](http://www.puc.state.nh.us)) and on the Company's website ([www.pennichuck.com](http://www.pennichuck.com) under the "Company Reports" caption).

The Commission will hold a hearing relative to the rate filing and settlement agreement on May 20, 2014.

If possible, we would appreciate your posting this letter on your Town website in order to inform customers being served by the Company.

Please feel free to call me at 913-2301 if you need any further information.

Sincerely,

John L. Patenaude  
Chief Executive Officer